



# Committee On Finance

Max Baucus, Chairman

---

## NEWS RELEASE

<http://finance.senate.gov>

For Immediate Release  
February 15, 2007

Contact: Carol Guthrie  
(202) 224-4515

### **SENATE RESTORES SOME FUNDS TO SOCIAL SECURITY FOR 2007, BUT PRESIDENT'S BUDGET WILL SLOW SERVICE EVEN MORE NEXT YEAR**

*Finance Chairman called for administrative funding hike in continuing resolution,  
says Congress must stop shortfalls for 2008*

**Washington, DC** – Finance Committee Chairman Max Baucus (D-Mont.) said that a Senate vote this week will stave off catastrophic disruptions in Social Security service to the public this year, but serious inadequacies will still remain – and that the President's Social Security budget proposal for fiscal year 2008 will make those problems worse.

The continuing funding resolution approved by the Senate late Wednesday restores \$200 million originally cut from the Social Security Administration's (SSA's) budget this year. Baucus urged an increase to stop staff furloughs that would have effectively stopped service to the public for a number of days. But this increase is not sufficient to end existing service problems such as multiple-year delays in processing disability claims, and the President's proposed budget for SSA for 2008 will allow those problems to worsen next year. Baucus intends to work to increase SSA's budget and the agency's ability to get services to the public.

**“We’ve put a band-aid on Social Security’s funding problems for this year, and that was important to do,”** said Baucus. **“But even with that bandage, huge problems remain. Applicants for disability benefits are already waiting as long as three and a half years to receive them. And the President’s budget for next year will lead to even bigger delays in receiving disability benefits. Furthermore, the budget's failure to provide enough resources for key ‘money-saving’ measures at SSA is really penny-wise and pound-foolish. I will work to make sure Social Security has the resources to serve applicants and beneficiaries, and makes the most of taxpayer dollars.”**

The White House budget request for fiscal year 2008 recommends \$9.59 billion in SSA operating funds. That is \$100 million more than the President's fiscal year 2007 request – but projected costs for Social Security in 2008 have increased by at least \$368 million. Such a shortfall will lead to an increased backlog of disability claims.

*--1 more--*

Additionally, the White House budget will provide insufficient funds for SSA activities that actually save money for the agency and for taxpayers. SSA saves \$10 for every one dollar it spends to see if disability beneficiaries' conditions have improved enough for them to leave the disability rolls. And SSA saves \$7 for every one dollar it spends to review the eligibility of Supplemental Security Income (SSI) beneficiaries each year. The President's budget will allow at least 300,000 fewer disability reviews and at least 700,000 fewer SSI reviews than Social Security could perform at full funding next year.

###